

## MNI Gas Weekly: Easing Norway Maintenance Pressures Market

By Lawrence Toye, Daniel Dawson, & Zach Simon (17/09/2025)

### Executive Summary:

- At the **Gastech conference in Milan** last week appetite for new LNG deals showed little sign of slowing.
- **European Gas Benchmarks** weigh returning Norwegian supply against Russia sanctions risks.
- Asia's **LNG market** ticked up last week as geopolitical concerns outweighed market fundamentals.
- In the **Middle East & Africa**, Chevron has signed a deal to kickstart construction of Israel's Nitzana pipeline.
- **Henry Hub** has gained ground amid warmer weather forecasts for late September.
- In the **Americas**, Argentina's YPF is in talks to add more partners to its effort to sell LNG.

## Gastech – LNG Deal Making Reaching its Zenith

Last week's Gastech conference in Milan produced a flurry of additional LNG deals - indicating that the looming surplus for LNG supply is no barrier for the market's appetite to ramp up production and lock in long term contracts.

- "SPA [sales and purchase agreement] demand is about as strong as we've seen it at Venture Global in the last 10 years. It's very, very strong right now." Venture Global LNG CEO Michael Sabel cited by Reuters.
- "Andreas Schroeder, Head of Energy Analytics at ICIS said that "contracting activity seems ongoing and US players are eager to make good deals securing long-term offtake in a forthcoming decade of oversupply.
- The looming wave of supply is driven by the US, which is set to entrench its dominance in the LNG market in the years to come. However, it also has prompted producers and those with offtake deals to secure their contracts while buyers are still experiencing a tighter market and concerns still linger.
- From the view of the importers, agreeing deals for long-term supply, despite the market forecast to be awash with cargoes in the coming years, is likely driven by the need to renew expiring deals and insure themselves against an over exposure to spot market volatility.
- Japan's largest power producer, JERA, warned that reliance on spot purchases of LNG could be its "worst-case scenario" over the next decade. Global CEO Yukio Kani, speaking at Gastech, stressed that spot market dependence in a tight market could severely damage Japan's economy. Kani noted that around 16m mt of existing contracts will expire in the 2030s, requiring significant replacement.

### Non-US Players Looking to Boost Position:

Notwithstanding US dominance, other locations are also targets for market growth, with everyone looking to get into the market while they can.

- US oil major Chevron is in early stage talks to explore opportunities in European regasification terminals, senior executives told Reuters. The company is also looking to further boost its footprint in the Eastern Mediterranean, which it highlighted as a strategic priority for the company.
- Chevron's President for Global Gas Freeman Shaheen told Gastech that the company is working to boost supplies of Israeli natural gas to Egypt to meet an "insatiable appetite". "Egypt needs all the gas it can get," Shaheen said in an interview at Gastech.

- Furthermore, Italy's ENI is looking to boost its Asian footprint, supplying the Far East market for LNG through a joint venture with Petronas, company CEO Claudio Descalzi said at Gastech, cited by Reuters.
- ENI's COO for Natural Resources Guido Brusco said ""There are resources, there is capital and there is a market for us... Far East is a premium market," adding that "We don't need to invest one dollar in the mid-stream or in the LNG, we already have infrastructure we just need to bring upstream resources."
- In South America, Argentina's YPF also looked to add more partners to its planned LNG export terminal planned for launch at the end of this decade.

### Geopolitical Concerns in the Back of the Mind

One key driving factor behind the market's sanguine approach to a future supply glut is the increasing geopolitical uncertainty.

- The current political climate is difficult to navigate and there will be more of it to come in the next six months, Vitol CEO Russel Hardy told the Gastech conference, cited by Bloomberg.
- "Prices will trade down from here because the wave is coming, but challenges still remain if new LNG projects get delayed or there are geopolitical disruptions," Hardy said.
- Battered and bruised by the 2022 energy crisis which saw Russian gas flows curtailed, followed by a long-term outage at Freeport, traders will likely welcome a diversity of supply.
- Supply diversity was on display in the deals Turkey signed at Gastech, with state-owned BOTAS agreeing 15 bcm in supply deals over 2026-28 with eight difference suppliers.
- The 2022 gas crisis showed that while gas molecules may be physically there in the market, geopolitical influences can render them off limits.
- This point was reinforced by US Secretary of State for Energy Chris Wright, who used Gastech to urge Europe to accelerate its phase out of Russian LNG and replace it with US volumes. He argued the displacement could be achieved in 6-12 months, well ahead of the current Jan. 2028 deadline.

### New Demand Drivers

Another key topic was the demand response to additional supply, coupled with the competition between Europe and Asia.

- One source told MNI of the frequent questions around how much LPG-gas switching will occur within the Asian power & industrial sectors. The price at which price-sensitive consumers from Asia buy LNG and issue buy tenders is also an important question for how many cargoes will be mopped up by new markets.
- Meanwhile, Venture Global's CEO Michael Sabel brushed off concerns that the planned Power of Siberia 2 gas pipeline sending Russian gas to China would weaken Asian demand for US LNG,
- Sabel posits that Asian gas demand will be supported by a shift from coal to gas use for power generation, along with nuclear and renewables.
- Venture Global also expects continued European and Southeast Asia emerging market demand with data centres providing a massive source of new incremental demand.
- "Venture Global is not a subscriber to the view that there's a certain price compression coming from oversupply."
- However, the true scope of demand growth remains an uncertainty, with some commentators rejecting the theory that new outlets will absorb the supply jump.

- "The LNG glut is unlike anything I've seen before, and I've seen it all. It's like everyone is doubling down on a losing poker hand. Peak LNG hubris". Seb Kennedy, Founding Editor at Energy Flux said.
- Ultimately project delays, geopolitical uncertainty, and the speed of coal phasing out in Asia will determine the trajectory of the LNG market's supply-demand balance.
- It will still be some time before it can be determined whether Gastech 2025 was an example of shrewd planning and sharp foresight, or the peak of the LNG bubble.

## European Natural Gas

TTF front month has come under some pressure over the past week amid higher wind speeds and an upcoming easing of Norwegian maintenance, weighed against Russian supply risks.

- Front month TTF prices traded between €31.62/MWh and €33.44/MWh this week, compared to €31.7/MWh and €33.44/MWh over the previous week.
- Temperatures in NW Europe are forecast to rise above normal at the end of this week before falling below normal into next week and through the end of the month.
- Norwegian pipeline supplies to Europe are 234.6mcm/d today, Bloomberg shows. Gassco shows total planned outages of 122.2mcm/d today rising to 141.8mcm/d tomorrow before the gradual return of capacity over the following week down to 19.6mcm/d on Sep. 25.
- NW European LNG sendout is estimated to hold steady at 205mcm/d on Sep. 15 compared to an average of 200mcm/d so far this month, Bloomberg shows.
- European gas storage has risen to 80.83% full on Sep. 15 although still below the previous five-year average of 87.3% full, according to GIE.
- Algeria gas flow to Italy at Mazara is estimated at 38.3mcm/d compared to an average of 40.2mcm/d so far this month, Bloomberg shows.
- The European Commission has delayed proposal for the 19th Russia sanctions package originally set for Wednesday, Bloomberg reports.
- EC President von der Leyen said that the EU is looking into fast tracking the end of energy imports from Russia after the US said it needs to stop.
- The FSRU Hoegh Gannet will leave Brunsbuettel to the Danish Fayard shipyard from September 18 until mid-November to undergo upgrades.
- European natgas demand was 9% higher w/w but 7% lower y/y, JPMorgan said in a note.

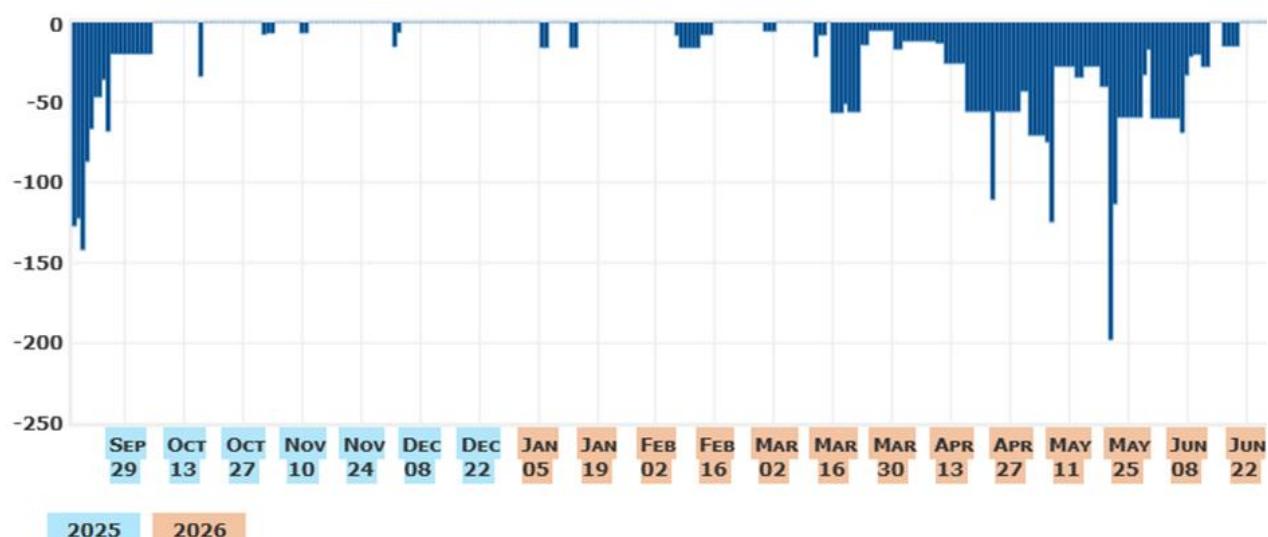
## Norway Approaches End of Peak Seasonal Maintenance

Norwegian gas supplies to Europe are still on track to recover from later this week as peak seasonal maintenance is due to come to an end. The market remains wary of any delayed returns as Europe continues to build storage ahead of winter despite already reaching the 80% target level.

- Norwegian pipeline supplies to Europe have been revised down to 230.5mcm/d today from 232.3mcm/d estimated earlier and compared to an average of 236.9mcm/d so far in Sep., Bloomberg shows. Pre maintenance supply levels were around 320mcm/d.

- Gassco shows total planned outages of 127.1mcm/d today rising to 141.8mcm/d on Sep. 18 before the gradual return of capacity over the following week to 19.6mcm/d on Sep. 25.
- Capacity outages of 63mcm/d at Troll and 78mcm/d at Kollsnes are both due to return on Sep. 19.
- Other capacity reductions are currently at Sleipner, Nyhamna, Oseberg and Norne while works are planned at Kårstø and Troll next week.

Norwegian Planned Outages - Source (Gassco)



### Italy Plans FSRUs for Sardinia

Italy plans to send two new units for the regasification of LNG to Sardinia to help the island phase out coal, Reuters reports citing a government decree.

- Sardinia currently relies on two coal-fired power plants for its electricity needs.
- The government has mandated Italy's Snam to set up a new FSRU in the port of Oristano, the decree showed.
- The documents approved by the government on Friday also mentioned the possibility of a second LNG terminal in the north-west coastal town of Porto Torres in case one of the two coal plants is turned into a gas-fired power station.
- In addition, the government said that two existing LNG terminals in continental Italy – one in Liguria and one offshore Tuscany – would be upgraded to be able to send small vessels loaded with LNG to Sardinia's new terminals.

### Impact on Central Europe If Early EU Ban on Russian Gas: OIES

If the EU ban on Russian pipeline gas and LNG were to start in 2026 there would be severe price impacts for Central Europe, especially Hungary and Slovakia, according to OIES.

- Selected countries would be higher by \$8-9/mmbtu, while TTF and Japan spot prices would be almost \$1/mmbtu higher in 2026 and 2027.
- In 2026, the wave of new LNG wave is in the early stages and Romanian and Turkish Black Sea production has not picked up.
- If the full EU ban does not come into effect until 2028, as currently planned, the impact on EU gas markets is minimal in volume and price terms, OIES added.
- On Sep. 10, EU Commission President Ursula von der Leyen said a faster phase-out of Russian fossil fuels is being considered as part of new sanctions amid pressure from the US.
- However, EU energy commissioner Dan Jorgensen said the current ambitious phase-out plan by 2028 to ensure no supply shortages or price spikes.
- Austria, Hungary and Slovakia prices could rise to over \$20/mmbtu in the case of an earlier 2026 start compared to \$11/mmbtu for TTF, OIES added.
- Prices in Germany, Czech Republic, Italy, Slovenia and Switzerland would all be over \$18/mmbtu.

### Germany Expects to Meet Gas Storage Target This Year

Germany expects to meet its target for filling gas storage sites this heating season, but risks of attacks on infrastructure remain, according to a government official cited by Bloomberg.

- Capacity bookings are currently at 81%, which means the statutory filling level of 80% can be achieved by Nov. 1, Bernhard Kluttig, a department head within the German economy ministry said at Handelsblatt Gas conference.
- German gas storage is 75.4% full, according to GIE data.
- “We are now well equipped for normal circumstances.”
- Germany’s new LNG infrastructure is offering greater flexibility, and by 2028, LNG terminals will be able to cover around 48% of annual gas demand.
- Kluttig calls for more long-term LNG supply contracts.
- “With regard to attacks on infrastructure, we should be vigilant and, if necessary, have a little more in our pockets than usual.”
- Norway remains “a certain cluster risk.”
- Gas storage group INES said on Tuesday that with warm to moderate temperatures, storages are expected to be depleted by end-March 2026, while meeting the requirement of being 30% full on Feb. 1.
- In the event of extremely cold temperatures, “significant risks” remain, with caverns completely depleted by the end of January.

### Winter TTF Price Risk Skewed to the Upside: Goldman

TTF risks to a forecast of €34/MWh (\$11.35/mmBtu) for Win25-26 are skewed to the upside amid weather and supply disruption vulnerability, according to Goldman Sachs.

- Upside is not likely up to oil switching economics above €50/MWh.
- European balances suggest a more comfortable storage path in 2026, even with a strong recovery in Asia LNG imports.
- Lower than expected Asian demand could pressure TTF below a forecast of €30/MWh (\$10.10/mmBtu) for 2026 and into lignite switching in the low €20s/MWh.
- TTF is forecast to fall to €20/MWh (\$6.85/mmBtu) in 2027 with JKM below \$7/mmBtu by late 2027 as growing LNG supply increases the likelihood of European gas storage congestion. Risks are largely balanced but with upside if upcoming liquefaction projects get significantly delayed.
- The US-JKM price arb is expected to narrow significantly in the next few years.

- Russian exports are expected to rise modestly amid high uncertainty while the Power of Siberia 2 timeline is likely into the 2030s.

## APAC LNG

Asian spot LNG prices inched up last week, boosted by geopolitical developments around Russian sanctions and tensions in the Middle East, Reuters said. However, muted demand and high APAC inventories have capped gains.

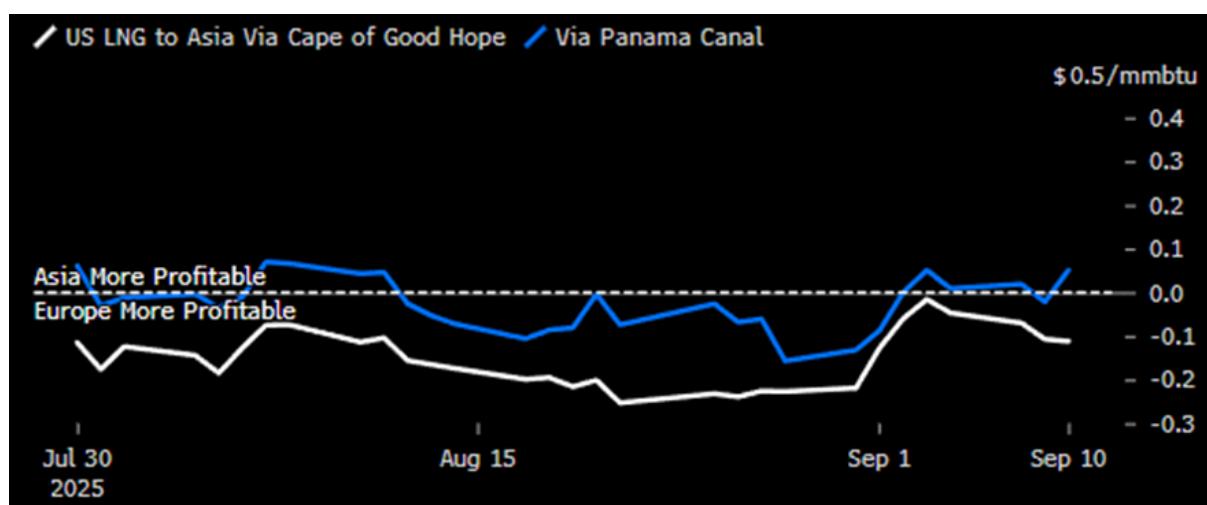
- October LNG delivered into Northeast Asia in October averaged \$11.50/MMBtu, up 20 cents/MMBtu on the week.
- Kpler data showed that Asian LNG prices rose 11 cents/MMBtu on the week to \$11.34/MMBtu Sep. 10.
- The JKM front-month swap ranged between \$11.211/MMBtu and \$11.847/MMBtu in the week to Sep-16.
- Asian LNG prices were largely tracking the geopolitical premium seen in European gas prices rather than Asian fundamentals, Kpler analyst Go Katayama told Reuters. EU and US negotiations on fresh sanctions against Russia, coupled with Israel's targeting of Hamas leaders in Qatar had driven up risk premiums.
- Kpler expects that JKM will be slightly bearish through this week as ample LNG inventories and mild November temperatures in Japan and Korea squeeze heating demand.
- Gas-for-power demand in Northeast Asia is set to remain elevated with temperatures across the region trending above 5-year norms, Kpler added.

### JKM Narrows Discount to NWE

Northeast Asia's spot LNG prices have narrowed their discount to Europe since the start of September, according to Bloomberg citing Spark Commodities.

- The JKM - TTF Oct spread has edged down this week to the lowest since Aug. 27 at around +\$0.14/mmbtu today from over +\$0.3/mmbtu earlier this month, according to Bloomberg data.
- If the arb to Asia opens US shipments could be more profitable to divert to Asia rather than Europe, Bloomberg added.

**US LNG Arbitrage** - Source (Bloomberg Finance L.P.)



## China Continues to Import from Arctic LNG 2

A fifth sanctioned Russian LNG carrier has docked at China's 6m mtpa Beihai LNG terminal, highlighting the country's continued role in handling Russian cargoes despite Western sanctions, Platts reported.

- The Iris, formerly the North Sky, arrived on Sep. 16, just two days after the sanctioned tanker Buran departed the same port.
- Data shows that more sanctioned carriers, including the Arctic Vostok, are en route from Russia's Arctic LNG 2 project, which resumed loadings in June following the commissioning of its second train.
- The US and EU have sanctioned several of these vessels as part of efforts to restrict Russia's energy exports.
- Washington has recently warned that engaging with Arctic LNG 2 involves significant sanctions risk. Despite this, market sources indicate the project's cargoes are trading at \$8–\$8.50/MMBtu, below Northeast Asia's JKM benchmark of around \$11.3/MMBtu.
- Local LNG prices in China have also eased, with trucked LNG in Guangdong falling to about 4,100 y/mt.

## North Asia Fundamentals

North Asia's daily 30-day moving average for LNG imports was 8.9% higher than the five-year seasonal average at 605k tons on Sep. 10, Bloomberg ship-tracking shows.

- China's LNG imports will regain growth in the winter with upside from weather risks, according to BNEF. China's residential demand leads growth, while other sectors battle headwinds.
- China's cumulative natural gas demand in Q3 projected at 108.20 bcm, up 3.56% year-on-year, OilChem said. High summer temperatures supported stable power demand, while LNG heavy-duty trucks drove transport sector growth.
- South Korea's winter gas demand is expected to soar amid a slump in coal and nuclear delays, while Japan's power sector's gas demand is expected to fall over next two seasons and then recover, BNEF added.

China's Natgas Consumption (bcm)- Source (OilChem)

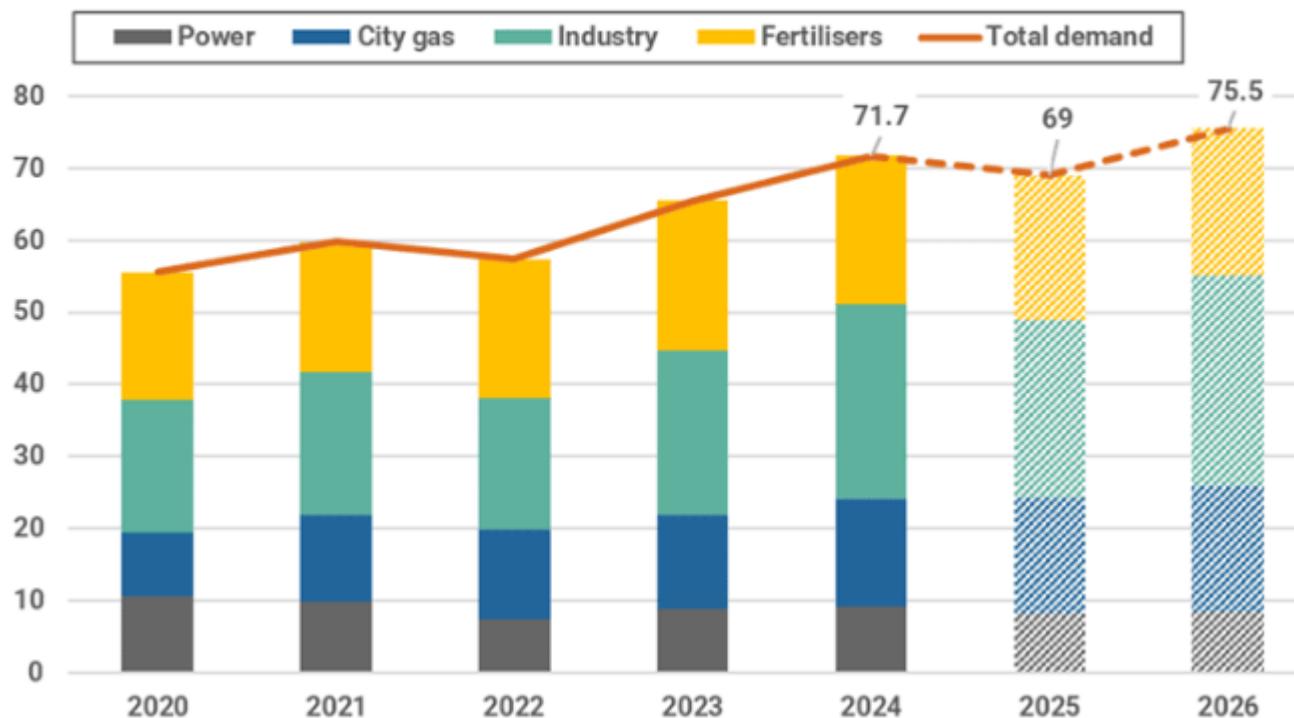


## South Asia

India is seeing a slight uptick in LNG demand, though most importers remain on the sidelines waiting for lower prices, Bloomberg reports.

- Bharat Petroleum Corp. is seeking two LNG shipments for delivery in November to December.
- Meanwhile, Gujarat State Petroleum Corp. last week bought a cargo on a DES basis for late-October delivery to India at the low-\$11/MMBtu range.
- Nevertheless, India's annual LNG demand is set to contract in 2025, with purchases in the year through August down 10% year on year.
- Kpler forecasts India's LNG demand to be a 6.4m mt in Q4, as elevated spot prices limit industrial and power demand.
- India's LNG consumption in August fell 3.8% on the year to 5.822bcm and from 5.875bcm the previous month
- In Bangladesh, state-run RPGCL has reissued a tender to purchase one LNG cargo for delivery on Nov. 25-26, after rejecting earlier offers due to high price quotes, Platts said.
- The volume of the spot cargo is around 3.36 TBtu, with delivery planned for Moheshkhali Island, where it can be discharged at either of the two floating storage regasification units.
- Kpler has Bangladesh's Sep-Dec LNG import outlook at 2m mt.
- India and Bangladesh are set to lead growth in South Asia this winter, BNEF forecasts. Cooler weather and costlier LNG weigh on India's gas demand this year but a recovery is expected next year. Contract LNG supplies will support imports to India over the coming winters.

**India's Gas Demand by Sector (bcm)- Source (Kpler)**



## Southeast Asia

Ongoing monsoons continue to cap temperatures and limit cooling demand in South and Southeast Asia, according to Kpler.

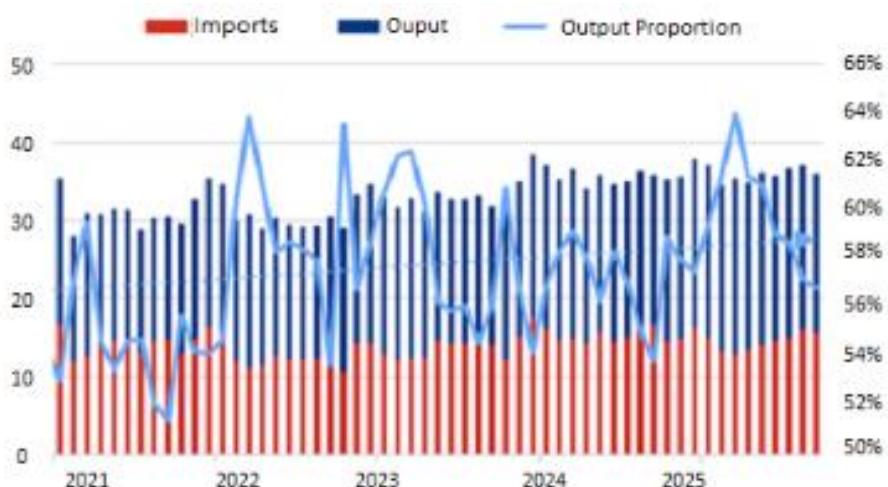
- Thailand seeks to significantly boost the share of LNG imports via term contracts with a focus on the US, according to Prasert Sinsukprasert, the permanent secretary of the Thai Ministry of Energy cited by Platts.
- The country wants to convert "maybe 5 million mt" to medium-term or long-term contracts from approximately 6mtpa of spot imports.

## Supply Side

The LNG volume at sea for at least 20 days decreased 4.8% over the last week, according to Bloomberg estimates. LNG on water volumes were 3.17m mt as of Sep. 14, compared to 3.33m mt the week prior.

- The estimated volume of LNG on tankers that have not unloaded for at least 30 days is relatively unchanged at 1.36m mt compared to 1.65m mt a week ago.
- Japan's LNG inventories are set to climb seasonally to 2.7 mt in October and 2.8 mt in November, Kpler said.
- South Korea's implied LNG inventories are expected to be 3.8m mt by end-September, 4.3m mt by end-October, and 4.6m mt by end-November, Kpler forecasts. This is well above the five-year average.
- Australia's federal government has granted final approval for a decades-long extension of the 14.3m mtpa North West Shelf (NWS) LNG terminal in Western Australia, Argus said.
- Malaysian output slipped by over 0.2m mt from a 22-week high for Sep. 8-14, possibly due to even loading schedules, Bloomberg said.
- OilChem data shows China's domestic gas output will reach 63.30 bcm in the Q3, up 6.30% year-on-year. This boosts domestic output's share of total supply to 60%, compared with 55% in 2021.
- In Q4, China's output is expected to rise further to 60–62% of supply as fields increase production for winter heating demand, OilChem added.

**China's Natgas Supply 2021-2025 (bcm)** - Source (OilChem)



## Middle East & Africa:

Chevron has signed a gas transportation agreement with Israel's state-owned pipeline operator to kickstart construction of the Nitzana natural gas pipeline, according to Reuters.

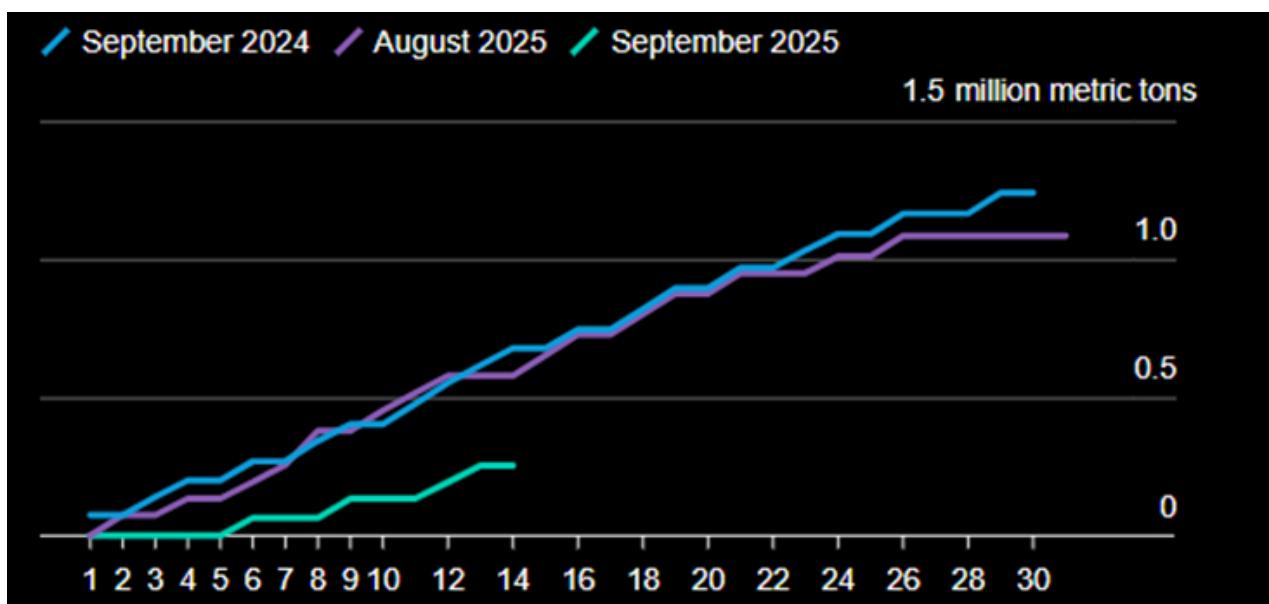
- The pipeline is set to have capacity to transport around 600mcf/d from Israel to Egypt.
- Construction of the Nitzana gas pipeline is to begin in Q4 2025 with first gas delivery expected within 36 months, Chevron added.
- Leviathan will sell about 130 bcm of gas to Egypt through 2040, or until contract quantities are fulfilled. Supply will start at 20 bcm from H1 2026 with the remaining 110 bcm once an expansion project is completed. Expansion includes the construction of the new transmission pipeline from Israel to Egypt via Nitzana.
- The Leviathan field off Israel's Mediterranean coast has reserves of around 600 bcm.

### Jafurah Gas Field Set for Start Up

In Saudi Arabia, Aramco is set to bring its Jafurah unconventional gas field online within weeks, a project central to raising KSA's gas production capacity by 60% by 2030, Argus said.

- Jafurah holds 229 Tcf of raw gas reserves and is expected to start at 0.2 bcf/d in its first phase, climbing to 0.65 bcf/d by 2026. A second phase from 2027 will lift output to 2 bcf/d by 2030.
- The government's aim is to eliminate oil-fired power by 2030, freeing up a total of 1m b/d of oil potentially for export through numerous displacement methods
- KSA is the world's eighth-largest gas producer, but its fast-growing consumption has prevented exports. Power generation is split 57:43 between natgas and liquids, with liquid burn at 822k in H1 2025.
- Elsewhere, in Africa, Nigeria's LNG shipments for Sep. 8-14 rose to three from one each in the two weeks prior, Bloomberg said.

Cumulative LNG exports from Nigeria Source (Bloomberg Finance L.P.)



## US Natural Gas:

Henry Hub front month has gained ground this week, supported by warmer forecasts for late September and a slight tick down in production.

- Henry Hub Front Month has traded between \$2.869/MMBTU and \$3.138/MMBTU this week, compared to \$3.008/MMBTU and \$3.198/MMBTU over the previous week.
- Lower 48 natural gas production averaged 108.01 bcf/d in the 10 days to Sep-16, compared to last week's 10-day average of 108.42bcf/d.
- Baker Hughes US rig count: Gas: no rigs were added or taken away this week. Total gas rigs stand at 118.
- US cooling demand for the week ending September 20 is forecast to be 23 cooling degree days (CDD) above the long-term normal, according to Bloomberg, citing the NOAA. During the week to September 13, the US was 10 CDD above normal.

US CDD Count- Source (Bloomberg Finance L.P./NOAA)



## US LNG

Natural gas deliveries to US LNG terminals averaged 15.16 bcf/d in the seven days to Sep-17, compared to the seven-day average of 15.12 bcf/d during the previous period.

### Corpus Christi Stage 3 Requests Approval to Introduce Feedgas

Cheniere filed a request with FERC to introduce feedgas and refrigerants to cold end of Midscale Train 3 (String 1) and hydrocarbons to the Midscale Train 3 Condensate system.

- This request suggests Corpus Christi is advancing into the late stages of the Train 3 commissioning process. The next milestone for the facility will be the cooldown of the train and LNG storage tanks, which is the last step before first LNG.
- The facility is designed with 7 midscale trains, with Train 1 of Stage 3 producing first LNG in December 2024 and Train 2 reaching substantial completion in August 2025. One additional train is expected to reach substantial completion in 2025, and this filing suggests that the process is ramping up for Train 3.
- The Stage 3 project is listed at 10 MTPA, which would make each train ~1.4 MTPA or 180 mmcf/d. The first three trains represent ~0.6 Bcf/d of incremental export demand at full utilization.

### Woodside Breaks Ground on Louisiana LNG

Woodside Energy held a groundbreaking ceremony for the 2.3 Bcf/d LNG export facility on the morning of September 16.

- The first phase of the facility includes 3 trains and has a targeted in-service date for the first, second, and third trains of 2029, 2030, and 2031, respectively.
- Woodside made a positive FID in April 2025 and represented the first greenfield US LNG project to do so since 2023 according to Woodside.
- The EIA's tracking of under construction LNG facilities expects Corpus Christi Stage 3, Golden Pass, Port Arthur LNG, and Rio Grande LNG to all come online before the first train at Louisiana LNG. These facilities represent an incremental 8.2 Bcf/d of DOE-authorized export capacity before Louisiana LNG is online.

### JERA in Talks to Buy US Upstream Gas Production

Japan's power generator JERA is in "advanced" talks to buy natural gas production assets in the US for \$1.7 billion.

- JERA is vying for assets owned by GEP Haynesville II, a joint venture between Blackstone's GeoSouthern Energy (GEP) and Williams Companies.
- GEP could still take other bidders, and the deal is not finalized, Bloomberg notes.
- The deal would be JERA's first entry into shale gas production and give one of the world's largest LNG buyers more control of its supply chain, including shoring up inputs for a surge in domestic power demand from data centers at home.
- JERA has recently inked a number of offtake agreements at forthcoming US LNG export facilities, totaling some 5.5 mtpa across Cheniere, Sempra, Commonwealth, NextDecade, and most recently signed a letter of intent with Glenfarne's Alaska LNG.

### Alaska LNG Finds Steel Supplier and Offtaker in South Korea

Glenfarne, the owner of Alaska LNG, announced that it had reached a preliminary agreement with South Korea's Posco to supply steel for the LNG facility and take 1 mtpa.

- The "heads of agreement" (HOA) include Posco to supply "a significant" portion of the steel needed for Alaska's 807-mile-long, 42-inch-wide pipeline.
- The offtake portion would be 1 mtpa for 20 years.

- However, the HOA reached is not a binding contract but could lead to something more concrete.

### LNG Canada Wins Place on PM Carney's Favoured Projects List

Canada's PM Mark Carney announced Sep. 11 that he plans to smooth the path for LNG Canada's expansion by including it on a list of projects eligible for fast-track acceptance.

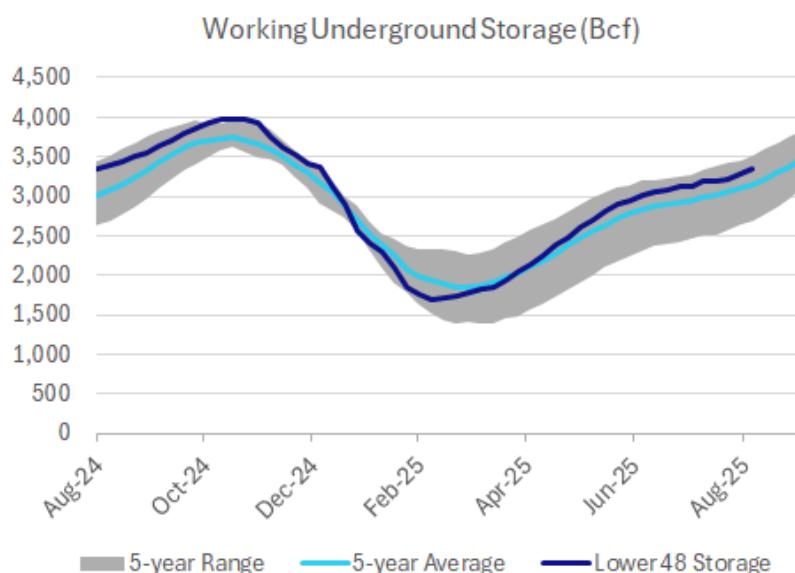
- The list, which Carney referred to as a "first tranche" includes projects the government sees as national important and want to expedite.
- This is part of an effort to respond to US tariffs by stimulating construction activity, boosting Canada's economy and increasing exports to non-US trade partners.
- LNG Canada's expansion already has federal approval, but Shell and its partners have not yet made an FID.
- Phase 2 would increase capacity from 14m mtpa to 28m mtpa, making it the second largest facility of its kind in the world, according to Carney.
- There are lingering questions about how the expanded facility would be powered and whether it fits within carbon emission limits set out by the Federal and provincial governments.

### US Natgas Inventories

The EIA weekly gas inventories for the week ending Sep. 05 showed a build of 71 bcf. The seasonal five-year average shows a net build of 56 bcf.

- The inventory change survey averages prior to the release were (bcf): +69 (Bbg), +69 (WSJ), +70 (Reuters), and +74 (NGI)
- Total stocks are up to 3,343 bcf. This is 38 bcf below levels seen a year ago and 188 above the previous five-year average of 3,155 bcf.

### US Gas Inventories – Source (EIA)



## Regional Hubs - Waha Drops into Negative Territory

Waha slipped into negative territory on Thursday September 11, settling at -\$3.03/MMBtu the following day, and recovering slightly to settle at -\$1.23 on Monday September 15.

- The Friday Waha price was the lowest since November 2024.
- The region is undergoing heavy pipeline maintenance. EPNG's maintenance schedule showing total offline capacity at 6.311 bcf/d on September 16-17, with offline capacity exceeding 5.5 bcf/d through September 22.
- Kinder Morgan's KMI.N Gulf Cost Express (GCX) in Texas experienced an issue at the Devils River Compressor Station last week that required "emergent repairs". As a result, approximately 159 mmcfd went offline until further notice.
- GCX is also set to have maintenance at the Big Wells Compressor Station on September 17 and 18 which will reduce capacity by 0.5 bcf/d to 1.6 bcf/d.
- At the same time, feedgas deliveries to US LNG facilities fell over the week. On September 12, feedgas deliveries were 14.92 bcf/d, compared to nearly 16 bcf/d one month previously, according to MNI estimates. America's largest export facility, Sabine Pass, has continued to receive less gas, 3.8 bcf/d on September 12 compared to 4.41 bcf/d a week before then.
- Weakening in-basin demand has contributed to pricing weakness as gas gen demand has fallen for the last week.
- At the same time, Permian production has outperformed the 30-day moving average of 19.84 bcf/d, touching 20 bcf/d on September 15, according to BNEF.

## Latam

Argentina's YPF is in talks to add more partners to its effort to sell LNG from the Vaca Muerta basin, Bloomberg reported.

- The additional companies would work on two projects YPF is currently collaborating on with Shell and ENI, CEO Horacio Marin said in an interview at Gastech.
- The move comes as YPF is pushing to lock up financing for the projects next year and pushed to lock up financing for the projects next year and pushes to sell LNG to Europe and Asia.
- Argentina, currently a net gas importer, would have minimal exports compared to giants the US and Qatar – the world's top producers.
- Financing will be launched in 2026, and the project could come online by 2029 and 2030.
- YPF is also in talks for Exxon to be an offtaker for the LNG that is planned to be exported later this decade, Bloomberg said citing media reporting from Gastech.
- In other developments within Argentina, the country is aiming to expand natural gas exports to Brazil, but high Bolivian transit fees pose a major obstacle, Platts said.
- Producers either need Bolivia to lower tariffs or must develop alternative routes, according to Daniel Ridelener, head of Transportadora de Gas del Norte, cited by Platts.
- Brazil has expressed interest in importing up to 30 mcm/d of gas, largely from Vaca Muerta, Argentina's shale hub.
- Current production is 100 mcm/d, well above domestic demand, with output projected to rise to 250 mcm/d by 2030. This surplus is pushing Argentina to target Brazil, its largest potential market.

### **Mexico's Regulator Rejects Permit for Altamira LNG**

Mexico's energy regulator CNE has rejected an application from New Fortress Energy for a natural gas permit for the Altamira LNG project, BNamericas said.

- CNE did not say why its technical committee rejected the request.
- In 2024, NFE began exports of LNG from an offshore platform near the port of Altamira on the Gulf of Mexico.
- NFE plans to build a second, 1.4m mtpa onshore plant at Altamira, converting an LNG import terminal originally built by Shell.
- Like the offshore platform, the onshore terminal will source feedgas via TC Energy's Sur de Texas–Tuxpan pipeline.